REMARKS

Claims 1-20 are pending in the application.

Claims 1-20 have been rejected.

CLAIM REJECTIONS -- 35 U.S.C. §102

Claims 1-20 were rejected under 35 U.S.C. 102(a) as being anticipated by Applicant's

admitted prior art.

The "Background of the Invention" section of the application as filed describes conventional

MPEG-2 compression. In particular, it describes the MPEG-2 packetized elementary stream (PES)

on page 7, including that the PES includes packet header 405, optional PES header 410, and

associated packet data 415. Packet header 405 comprises packet start code prefix 420, stream

identifier (ID) 425, and PES packet length indicator 430. All of the fields after PES packet length

indicator 430 are optional.

Because the PES includes numerous optional fields, it is in no way a "fixed-size program

packet" as described in independent claims 1, 6, 11, and 18. Nothing in the background section of

the specification, which the Examiner characterizes as "admitted prior art," describes reformatting

PES packets of disparate size into fixed-size program packets, as required by each independent

claim.

Applicant would be happy to correct any misunderstanding by the Examiner of the

background description, but because the Examiner only referred in general to pages 2-14, and not to

-8-

DOCKET NO. 01-S-016 (STMI01-00021) SERIAL NO. 09/943,837

PATENT

any specific teaching, the undersigned is unable to determine where the Examiner's mistake was

made.

Because each independent claim includes limitations not found in any cited art, and not

described or in any way "admitted" by the Applicant as prior art, all independent claims and their

respective dependent claims should be allowed over all art of record.

All rejections are traversed.

Applicant denies any statement, position or averment of the Examiner that is not specifically

addressed by the foregoing argument and response. Applicant reserves the right to submit further

arguments in support of their above stated position as well as the right to introduce relevant

secondary considerations including long-felt but unresolved needs in the industry, failed attempts by

others to invent the invention, and the like, should that become necessary.

-9-

DOCKET NO. 01-S-016 (STMI01-00021) SERIAL NO. 09/943,837

PATENT

CONCLUSION

As a result of the foregoing, the Applicant asserts that the remaining Claims in the

Application are in condition for allowance, and respectfully requests an early allowance of such

Claims.

If any issues arise, or if the Examiner has any suggestions for expediting allowance of this

Application, the Applicant respectfully invites the Examiner to contact the undersigned at the

telephone number indicated below or at wmunck@davismunckbutrus.com.

The Commissioner is hereby authorized to charge any additional fees connected with this

communication or credit any overpayment to Davis Munck Deposit Account No. 50-0208.

Respectfully submitted,

DAVIS MUNCK BUTRUS, P.C.

Date: March 27, 2006

William A. Munck

Registration No. 39,308

P.O. Box 802432

Dallas, Texas 75380

(972) 628-3600 (main number)

(972) 628-3616 (fax)

E-mail: wmunck@davismunck.com

-10-